

June 23, 1999

VPCD-99-08 (LDV/LDT/SM/ICI/LIMO)

Dear Manufacturer:

SUBJECT: Fuel Economy Label Information for 2000 Model Year

Enclosed with this letter are the following documents designed to guide you in your 2000 model year fuel economy program.

Enclosure 1 - "Fuel Economy Supplementary Information for 2000 Model Year" contains the fuel cost, Gas Guzzler Tax schedule, and fuel economy range information necessary to print the fuel economy labels.

Enclosure 2 - provides instructions for submitting information to EPA for the Guide for alternative-fueled vehicles, electric vehicles, minivans, and sport utility vehicles.

Enclosure 3 - "Timetable" contains the timetable for inclusions of label values in the 2000 model year Fuel Economy Guide.

This letter establishes official 2000 model year fuel costs which are different than the interim values used by some manufacturers. [Interim fuel costs are used when model year 2000 vehicles are offered for sale before the model year 2000 fuel costs are available.] Manufacturers may continue using interim values (i.e. 1999 values) on currently approved labels until September 4, 1999. Manufacturers may update their currently approved labels sooner. All labels approved after August 1, 1999, should use the new fuel costs.

If you have any questions, please contact your certification team representative.

Sincerely,

Jane Armstrong, Director
Vehicle Programs and Compliance Division
Office of Mobile Sources

Enclosures

cc: D. Rodgers, DOE

ENCLOSURE 1

Fuel Economy Supplementary Information for 2000 Model Year

Annual Fuel Cost

Annual fuel cost estimates are based on 15,000 annual vehicle miles and the following fuel costs:

Regular Unleaded Gasoline	\$1.20 per gallon
Premium Unleaded Gasoline	\$1.35 per gallon
Diesel Fuel	\$1.15 per gallon
LPG	\$1.05 per gallon
M85	\$0.75 per gallon
E85	\$1.35 per gallon
CNG	\$0.80 per gallon equivalent

The fuel cost will be calculated using the adjusted combined mpg (the .55/.45 weighting of the adjusted city and highway FE's, then rounded to a whole mpg).

Fuel Economy Ranges

The publication of the initial ranges as required by 40 CFR 600.314-86(d), will occur at the same time the Guide is released for publication. These ranges shall be applied to all vehicles manufactured more than 15 days after the ranges are available [Ref.: 40 CFR 600.306-86(b)].

Pursuant to 40 CFR 600.314-86(d), we will publish an updated version of all the ranges in February, 2000. This corresponds to the historical date of the second edition of the Guide. All vehicles must be labeled with the updated ranges within 15 days.

Labels issued after release of the initial or updated ranges should include the latest available range of fuel economy for that class of vehicle. After the ranges are initially available, the computer issued receipt will contain the ranges. The receipt will be automatically generated for manufacturers electronically transmitting FE data; other manufacturers can obtain this receipt from your certification team representative after the FE data has been entered. Separate ranges of adjusted city and highway FE values will be given.

Release Date

EPA will consider manufacturer-calculated label values as confidential until the release date specified by the manufacturer. The release date should be the date of introduction or press release or inclusion in the fuel economy Guide, whichever is earlier.

Fuel Economy Guide - 1st Edition

It is EPA's intention to include in the Guide all manufacturers' approved label values received by August 23 and, to the extent possible, all label values received before the Guide is sent to DOE on September 3, 1999. If the manufacturer wishes to exclude a model type from the Guide, a request providing justification for the exclusion must be submitted to EPA. After the EPA press release, which typically occurs the last week of September, EPA will place a copy of the Guide on the EPA web site (<http://www.epa.gov/oms/cert/feguide/>) and DOE will put this information on their web site (<http://www.eren.doe.gov/feguide/>).

Fuel Economy Guide - 2nd Edition

EPA and DOE do not intend to publish a printed copy of the second edition of the Guide in February, as has been done in the past. Additionally, if EPA receives a substantial number of new labels after the first or second edition is published, it may be necessary to update both web sites once or twice after the first edition is published.

Gas Guzzler Tax

If, according to your calculations, one or more of your model types are subject to the Gas Guzzler Tax, those model types are noted by the letter "G" in the engine description section of the Fuel Economy Guide.

The total amount of tax is determined by the Internal Revenue Service (IRS). The manufacturer is responsible to the IRS for reporting and paying the Gas Guzzler Tax. The tax shown in the table below must be used on the label unless the manufacturer has been granted an alternative tax rate schedule. However, IRS may audit your records and make their own determination about your tax liability. If the IRS determines a different tax rate after the model year, you will not be required to relabel unsold vehicles.

Gas Guzzler Tax (continued)

Use the following table to determine the tax liability for "Guzzler" model types.

FUEL ECONOMY VALUE TAX

<u>MPG*</u> is at least:	21.5 but < 22.5	\$1,000
	20.5 but < 21.5	1,300
	19.5 but < 20.5	1,700
	18.5 but < 19.5	2,100
	17.5 but < 18.5	2,600
	16.5 but < 17.5	3,000
	15.5 but < 16.5	3,700
	14.5 but < 15.5	4,500
	13.5 but < 14.5	5,400
	12.5 but < 13.5	6,400
	less than 12.5	7,700

* Combined unadjusted model type fuel economy

Limousine Manufacturers

Under the Revenue Consolidation Act of 1991, Limousine manufacturers and modifiers are covered by the gas guzzler program. Manufacturers of such vehicles should obtain fuel economy labels for their vehicles and conversions.

ENCLOSURE 2

Additional Instructions for Submitting Fuel Economy Information to EPA for the 2000 Fuel Economy Guide

1. Background Information

The Fuel Economy Guide will contain separate sections for vehicles which can be operated on the following fuels:

- Gasoline
- Diesel fuel
- Ethanol (E85)
- Compressed Natural Gas (CNG)
- Electricity
- Hybrid vehicles
- Other Fuels

For dual-fueled vehicles, the gasoline mpg values for the vehicle will be listed in both the Gasoline section of the Guide and the appropriate alternative-fuel section of the Guide.

2. Subdividing "Special Purpose Vehicles" into Minivans and SUVs

The Fuel Economy Guide will subdivide the Special Purpose Vehicle class into the following new sub-categories:

- Special Purpose Vehicle - Minivan - 2WD;
- Special Purpose Vehicle - Minivan - 4WD;
- Special Purpose Vehicle - Sport Utility Vehicle - 2WD; and
- Special Purpose Vehicle - Sport Utility Vehicle - 4WD.

Manufacturers should subdivide their Special Purpose Vehicles into Minivans and Sport Utility Vehicles (SUVs) by entering the appropriate carline class code into the carline program of the EPA data base (column 21-22 of the C1 record). In some cases, we may ask manufacturers to justify why the vehicles should be classified in these categories. With EPA approval, a vehicle may continue to be listed in the Guide as a "Special Purpose Vehicle" if it does not seem to fit into one of these subcategories. This situation is expected to be rare, but may occasionally happen for some types of camper vans, dune buggies, amphibious vehicles, or other special vehicles.

These new subcategories of "Special Purpose Vehicles" will be used in the Guide only, and should not be used on the fuel economy label (window sticker) required by the provisions of 40 CFR 600.306-86. As in previous years, the fuel economy labels for most Minivans and SUVs should identify these vehicles as "Special Purpose Vehicles." Similarly, EPA will provide fuel economy ranges of comparable vehicles for "Special Purpose Vehicles" only, and not for any of the subcategories.

3. Guidance for Listing Alternative-Fueled Vehicles in the Guide

The Fuel Economy Guide will include separate sections for new alternative-fueled vehicles, including CNG vehicles, ethanol vehicles and other types of alternative-fueled vehicles. Manufacturers should enter the fuel economy label values of these alternative-fueled vehicles into the EPA computer data base (except for LPG-fueled vehicles and electric vehicles). In addition, manufacturers should provide a written copy to EPA of the fuel economy label values for all alternative-fueled vehicles (including LPG-fueled vehicles and electric vehicles) to the attention of their EPA certification team member.

As previously stated, the fuel economy values of dual-fueled vehicles will be listed twice in the Guide. For example, a flexible-fueled vehicle which can be operated on ethanol (E85) and gasoline will be listed in the "Ethanol Flexible-Fueled Vehicle" section of the Guide and also in the "Gasoline Vehicle" section of the Guide. Therefore, to avoid confusion in the gasoline section of the Guide, manufacturers should use different carline names in the EPA data base for alternative-fueled and gasoline-only models. For example, a carline name of "Lone Star" could be used for gasoline-only models, "Lone Star FFV" for flexible-fueled models, "Lone Star LPG" for dual-fuel propane models and "Lone Star (hybrid electric)" for hybrid electric vehicle. These carline names are needed for clarity in the EPA data base and the Fuel Economy Guide only, and do not need to appear on the vehicle or be used in the manufacturer's sales literature.

Manufacturers should provide the driving range of dedicated alternative-fueled vehicles (rounded to the nearest 10 miles). For dual-fueled vehicles, manufacturers should provide the driving range of the vehicle when operated on gasoline or diesel fuel and the driving range when operated on the alternative fuel.

The driving range should be based on the adjusted combined fuel economy value as determined in 40 CFR 600.209-95(d) and the nominal fuel tank capacity of the vehicle (rounded to the nearest tenth of a gallon). If several fuel tank capacities are available for a vehicle, manufacturers should provide the driving range and the fuel tank capacity for all available fuel tank capacities for the vehicle.

For CNG vehicles, manufacturers should provide the city and highway fuel economy values in miles per gallon-equivalent, where one gallon-equivalent is equal to 121.5 cubic feet of CNG. The CNG fuel tank capacity used to calculate the driving range should be based on 80 percent of the nominal fuel tank capacity (using a slow fill rate) in order to account for the reduced fuel tank capacity which results from a fast fill rate.

For dual-fueled vehicles, when supplying the written copy of the mpg values to EPA, manufacturers should provide the mpg values,

the driving ranges, and the EPA index numbers for both fuels. Manufacturers should use a format similar to the one used in the 1999 Fuel Economy Guide, as shown below:

EPA								
<u>Index</u>	<u>Carline Name</u>	<u>Trans</u>	<u>City</u>	<u>Hwy</u>	<u>Eng/Cyl</u>	<u>Fuel*</u>	<u>Range(miles)</u>	<u>Vehicle Class</u>
00001	Lone Star FFV	L4	14	20	2.5/4	E	240	4WD Truck
00002			19	27		R	330	
N/A	Lone Star LPG	L4	17	25	2.5/4	L	250	4WD Truck
00003			19	27		R	410	
00004	Lone Star CNG	L4	17	23	2.0/4	C	200	2WD Truck

*Where Fuel type R = Regular Gasoline, E = E85 Ethanol, L = LPG (Propane) and C = Compressed Natural Gas.

4. Guidance for Listing Electric Vehicles in the Guide

The Fuel Economy Guide will include a separate section for new electric vehicles. If manufacturers have not already done so, they should provide a list of electric vehicles which will be introduced into commerce in the next year, and which manufacturers would like to have listed in the Guide. Manufacturers should provide a description of the vehicles to EPA in writing to the attention of their EPA certification team member, including the city and highway energy consumption (in kW-hr per 100 miles); and the range of the vehicles (in miles). The energy consumption and the range should be calculated using the procedures contained in Society of Automotive Engineers procedure J1634. Please submit the information in the format shown in the example below:

<u>Carline Name</u>	<u>Type of Battery</u>	<u>Motor Size/Type</u>	<u>Energy Consumption (kW-hr/100mi)</u>		<u>Range (miles)</u>	<u>Veh.Class, Body Type, Pass/Cargo Volume</u>
			<u>City</u>	<u>Hwy</u>		
AB Elect	Lead-Acid	95 kW AC Induction	40	50	100	4dr-113/13 Large Cars
AB Elect	Nickel-Metal Hydride	45 kW AC Induction	45	45	150	4dr-113/13 Large Cars
CD Elect	Lithium-Ion	62 kW DC	50	50	100	2dr-85/11 Subcompact

Additional information may also be included if necessary to describe your vehicles.

ENCLOSURE 3

Timetable

This enclosure is the timetable for including data in the 2000 Fuel Economy Guide and for the calculation and release of updated fuel economy ranges:

Fuel Economy Guide

<u>Task</u>	<u>Significant Dates</u>	<u>Responsibility</u>
1. Complete emission certification requirements for all model types to be included in the <u>Guide</u> .	August 23	Manufacturer
2. Notify EPA of self-approval of all general label fuel economy values, for all model types to be included in the <u>Guide</u> .	August 23	Manufacturer
3. Compile a list (for each manufacturer) of descriptions, fuel economy values, etc., of all model types to be included in the <u>Guide</u> and transmit to manufacturers for their review.	August 23	EPA
4. Complete review of all information provided in "3" above and notify EPA of necessary corrections or concurrence.	August 27	Manufacturer

Fuel Economy Ranges

1. Release to manufacturers the fuel economy ranges to be used on fuel economy labels.	September 3	EPA
2. Ranges required to be included on labels as of this date.	September 19	Manufacturer

EPA will try to include all available information in the Guide, which is submitted to EPA prior to September 1, 1999. September 1, 1999 is the last day for manufacturers to make changes to the EPA computer data base or to submit written fuel economy information to EPA for alternative-fueled vehicles and electric vehicles.

EPA will convey the necessary information to DOE on September 3, 1999.